TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
Southwest Center Medical

Respondent Name
American Zurich Insurance Co

MFDR Tracking Number
M4-15-1950-01

Carrier's Austin Representative
Box Number 19

MFDR Date Received
March 2, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The carrier failed to process either of my reconsideration period."

Amount in Dispute: $543.17

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Carrier is issuing payment for the disputed charges. Carrier will supplement this response with payment documentation. This matter should be ripe for dismissal at this point."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
March 4, 2014 and April 8, 2014	97110, 97530 99213, 99090-73	$543.17	$458.80

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
3. 28 Texas Administrative Code §129.5 sets out the reimbursement guidelines for work status reports.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 218 – Based on entitlement to benefits

Issues

1. Was the carrier's denial maintained?
2. What is the applicable rule pertaining to reimbursement?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The insurance carrier denied disputed services with claim adjustment reason code 218 – "Based on entitlement to benefits." This denial was not maintained. No reconsideration explanation of benefits was received as stated by the respondent therefore the services in dispute will be reviewed per applicable rules and fee guidelines.

2. 28 Texas Administrative Code 134.203 (c) states, "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is (date of service yearly conversion factor)." The services in dispute will be calculated as follows:

    - Procedure code 97110, service date March 4, 2014. The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.013 is 0.44572. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.803 is 0.00803. The sum of 0.91005 is multiplied by the Division conversion factor of $55.75 for a MAR of $50.74. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is $38.31 at 4 units is $153.24.

    - Procedure code 97530, service date March 4, 2014. The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.44616. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 1.013 is 0.53689. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.803 is 0.00803. The sum of 0.99108 is multiplied by the Division conversion factor of $55.75 for a MAR of $55.25. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at $55.25. The PE reduced rate is $40.29 at 3 units is $120.87. The total is $176.12.

    - Procedure code 99213, service date April 8, 2014. The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.97 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.98358. The practice expense (PE) RVU of 1 multiplied by the PE GPCI of 1.013 is 1.013. The malpractice RVU of 0.07 multiplied by the malpractice GPCI of 0.803 is 0.05621. The sum of 2.05279 is multiplied by the Division conversion factor of $55.75 for a MAR of $114.44.

    - Procedure code 99080 -73, service date April 8, 2014, is subject to Rule 129.5 (i) "Notwithstanding any other provision of this title, a doctor may bill for, and a carrier shall reimburse, filing a complete Work Status Report required under this section or for providing a

subsequent copy of a Work Status Report which was previously filed because the carrier, its agent, or the employer through its carrier, asks for an extra copy. The amount of reimbursement shall be $15." This amount is recommended.

3. The total allowable reimbursement for the services in dispute is $458.80. This amount less the amount previously paid by the insurance carrier of $0.00 leaves an amount due to the requestor of $458.80. This amount is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $458.80.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of $458.80 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

		October , 2015
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.